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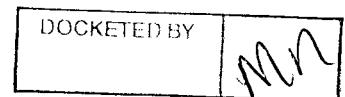
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
Docket Control
1200 W. Washington Street
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED

FEB 13 2008

RE: Tucson Electric Power Rate Case



Docket No. E-01933A-07-0402 (consolidated with E-01933A-05-0650
per decision number 69568)

This letter is provided to the Arizona Corporation Commission to set forth the formal position of the Town of Oro Valley, Arizona in the pending rate case filed by Tucson Electric Power Company (hereafter "TEP"). This letter was authorized by action of the Oro Valley Town Council at its February 6, 2008 regular session.

The Town of Oro Valley takes the position that TEP's proposed rate structure fails to make adequate provision for the underground placement of electric facilities in the Town of Oro Valley as required by various provisions of the Oro Valley Town Code and the Oro Valley Zoning Code Revised. The fundamental basis of the Town's longstanding and ongoing dispute with TEP on this issue is the subject of a complaint that the Town filed against TEP on January 7, 2008 under ACC complaint number 2008-65662.

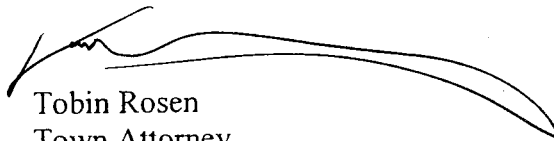
Because of the failure of TEP to comply with the valid facility undergrounding requirements of the Town of Oro Valley, utility service within the Town and its environs has become admittedly inferior. The level of service provided by TEP has been and remains insufficient to serve the needs of the Town of Oro Valley and its residents. Overloaded electrical circuits that present a real and continuing danger to the life, health and welfare of the citizens and ratepayers of Oro Valley have become the norm.

This situation has been created by the willful refusal of TEP to comply with lawful and valid code requirements of the Town of Oro Valley. It is manifestly inconsistent with the obligation of TEP as a regulated public utility to provide the Town of Oro Valley and its citizens with adequate and reliable electric service.

The present rate case that TEP has placed before this Commission contains no financial provisions for compliance by TEP with the valid requirements of the applicable

Oro Valley codes or for any appropriate remedy to address the woefully inadequate service levels that TEP has allowed to exist for too long in this community. Because the TEP rate case does not contain provisions to meet the utility service needs of the Town of Oro Valley and its residents or to ensure compliance with applicable Town ordinances, the Town of Oro Valley respectfully requests that the Arizona Corporation Commission make a formal finding that TEP's rate case is incomplete. The Town of Oro Valley further respectfully requests that the Arizona Corporation Commission include provisions in any rate order that may issue in this case directing TEP to comply with the letter and spirit of the Oro Valley Town Codes and to carry out its mandate to provide reliable and adequate service to the Town of Oro Valley and its ratepayers.

Respectfully submitted this 7th day of February, 2008.



Tobin Rosen
Town Attorney

Cc: Mayor and Council
David Andrews, Town Manager
Kathryn Cuvelier, Town Clerk
Larry Lucero, Tucson Electric Power
Mark Jerden, Tucson Electric Power